

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2004

	July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	FYTD Net	FY04 Net	Ended 6/30/2004 Net	Ended 6/30/2004 Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
Los Angeles Capital	55,756	2.5%	2.7%	-5.03%	-5.03%	N/A	N/A	N/A
Total Structured Growth	55,756	2.5%	2.7%	-5.03%	-5.03%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				-5.65%	-5.65%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>								
LSV	58,698	2.7%	2.7%	-1.21%	-1.21%	30.56%	9.33%	8.36%
Russell 1000 Value				-1.41%	-1.41%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>								
LA Capital	117,610	5.4%	5.4%	-3.56%	-3.56%	N/A	N/A	N/A
Russell 1000				-3.51%	-3.51%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>								
Westridge	114,742	5.2%	5.4%	-3.30%	-3.30%	N/A	N/A	N/A
S&P 500				-3.31%	-3.31%	N/A	N/A	N/A
<i>Index</i>								
State Street	34,547			-3.32%	-3.32%	19.01%	-0.75%	-2.28%
Total Index	34,547	1.6%	1.8%	-3.32%	-3.32%	19.01%	-0.75%	-2.28%
S&P 500				-3.31%	-3.31%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	381,353	17.4%	18.0%	-3.33%	-3.33%	21.46%	0.15%	-1.39%
S&P 500				-3.31%	-3.31%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	120,696	5.5%	6.0%	-7.28%	-7.28%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-6.57%	-6.57%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	120,696	5.5%	6.0%	-7.28%	-7.28%	32.99%	5.54%	7.29%
Russell 2000				-6.73%	-6.73%	33.36%	6.24%	6.63%
CONVERTIBLES								
TCW	227,920	10.4%	11.0%	-5.05%	-5.05%	17.50%	1.03%	3.90%
First Boston Convertible Index				-2.18%	-2.18%	14.16%	4.89%	5.75%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	474,406	21.7%	20.0%	1.24%	1.24%	2.42%	7.77%	8.10%
Lehman Aggregate				0.99%	0.99%	0.32%	6.35%	6.95%
<i>Index</i>								
Bank of ND	612,382	28.0%	30.0%	0.77%	0.77%	0.07%	7.10%	7.25%
Lehman Intermediate Gov/Credit (1)				0.84%	0.84%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>								
Strong	263,633	12.0%	10.0%	1.37%	1.37%	1.18%	N/A	N/A
Lehman US Credit BAA				1.40%	1.40%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	1,350,420	61.7%	60.0%	1.05%	1.05%	0.79%	7.00%	7.45%
Lehman Gov/Credit				1.06%	1.06%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS								
Bank of ND	108,730	5.0%	5.0%	0.13%	0.13%	1.20%	1.72%	3.39%
90 Day T-Bill				0.12%	0.12%	0.98%	1.71%	3.30%
TOTAL RISK MANAGEMENT FUND	2,189,119	100.0%	100.0%	-0.94%	-0.94%	8.09%	4.62%	3.34%
POLICY TARGET BENCHMARK				-0.60%	-0.60%	6.46%	5.10%	3.86%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.